

## **VIA FIRST CLASS MAIL**

AUG 1 1 2011

Mr. William L. Marcy Bill Marcy for Congress 501 Fairways Drive Ste 5A Vicksburg, MS 39183

RE: MUR 6428

Dear Mr. Marcy:

On November 16, 2010, the Federal Election Commission notified you of a complaint filed against you, alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("Act"). On August 4, 2011, based upon the information contained in the complaint, and information provided by you, the Commission decided to dismiss the complaint and closed its file in this matter.

The Commission encourages you to review the General Coursel's Report, which sets forth the statutery and regulatory provisions considered by the Commission in this matter. A copy of the dispositive General Coursel's Report is enclosed for your information and future reference. The Commission reminds you to take steps to ensure that your conduct is in compliance with the requirements pertaining to the timely filing of your Statement of Candidacy under 2 U.S.C. § 432(e)(1). For further information on the Act and Commission regulations, please refer to the Commission's website at <a href="https://www.fec.gov">www.fec.gov</a> or contact the Commission's Public Information Division at (202) 694-1100.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003).

If you have any questions, please contact Frankie Hampton, the paralegal assigned to this matter, at (202) 694-1650.

Sincerely,

Christopher Hughey

Acting General Counsel

BY: / Jeff S. Jordan

Supervisory Attorney

Complaints Examination and

Legal Administration

**Enclosure** 

General Counsel's Report

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RECEIVED FEDERAL ELECTION COMMISSION

1	BEFORE THE FEDERAL ELECTION COMMISSION				
2 3 4	In the Matter of 2011 JUL 25 A 9:59)				
5 6 7 8 9	MUR 6428  BILL MARCY FOR CONGRESS AND DAVID J. BOOLOS, AS TREASURER WILLIAM L. MARCY  DISMISSAL AND CASE CLOSURE UNDER THE ENFORCEMENT PRIORITY SYSTEM )				
1 <b>0</b> 11	GENERAL COUNSEL'S REPORT				
12	Under the Enforcement Priority System ("EPS"), the Commission uses formal				
13	scoring criteria to allocate its resources and decide which cases to pursue. These criteria				
14	include, but are not limited to, an assessment of (1) the gravity of the alleged violation, both				
15	with respect to the type of activity and the amount in violation, (2) the apparent impact the				
16	alleged violation may have had on the electoral process, (3) the legal complexity of issues				
17	raised in the case, (4) recent trends in potential violations of the Federal Election Campaign				
18	Act of 1971, as amended ("Act"), and (5) development of the law with respect to certain				
19	subject matters. It is the Commission's policy that pursuing low-rated matters, compared to				
20	other higher-rated matters on the Enforcement docket, warrants the exercise of its				
21	prosecutorial discretion to dismiss certain cases. The Office of General Counsel has scored				
22	MUR 6428 as a low-rated matter and has also determined that it should not be referred to the				
23	Alternative Dispute Resolution Office. This Office therefore recommends that the				
24	Commission exercise its prosecutorial discretion to dismiss MUR 6428.				
25	In this matter, complainant Precious T. Martin, Sr. alleges that Bill Marcy for				
26	Congress and David J. Boolos, in his official capacity as treasurer ("the Committee"), and				

candidate William L. "Bill" Marcy! violated "the letter and spirit of our campaign and

Mr. Marcy was an unsuccessful candidate for Congress from Mississippi's Secured Congressional District.

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Dismissal and Case Closure under EPS — MUR 6428 General Counsel's Report Page 2

- 1 election laws" by failing to include proper disclaimers on billboards and newspaper
- 2 advertisements, as required by 2 U.S.C. §§ 441d(a) and (c) and 11 C.F.R. §§ 110.11(a)-(c).
- 3 Appended to the complaint are photographs of two billboards, one of which is included in a
- 4 news story about Mr. Marcy dated August 25, 2010. The billboard includes the phrase "Paid
- 5 for Bill Marey for Congress" [sic], which does not appear to be enclosed in a printed box.
- 6 The photograph of the second billboard, which is apparently a screenshot from a news video
- dated September 3, 2010, includes the phrase "Paid for by the Committee to Elect Bill
- 8 Marcy," which is also not enclosed within a printed box.

In addition, the complaint includes a photocopy of a newspaper advertisement from *The Carthaginian* newspaper of Carthage, Mississippi, dated September 2, 2010, which includes the text "Vote November 2, 2010 \[ \sqrt{Bill Marcy US Congress."} \] The advertisement also includes the campaign's website address and the name of the campaign's Facebook page, but does not include a disclaimer including the specific "paid for by" language. The only reference to payment for the advertisement appears at the bottom, with the phrase "Paid Political Advertising" printed in what appears to be 8-point type size or less.<sup>2</sup>

The complainant also maintains that candidate bill bissey and the Committee failed to comply with the Act's "registration and reporting requirements." Specifically, the complainant asserts that Mr. Marcy failed to file a Statement of Candidacy within fifteen days after he attained candidate status by spending or receiving more than \$5,000 in connection with his federal campaign, as set forth in 2 U.S.C. §§ 431(2)(A) and 432(e)(1)

Although the photographs of the second billboard and the newspaper advertisement that were prouised with the complaint are difficult to read, we were able to least appear to be legible versions on the Internet at <a href="http://www.bing.com/videos/watch/video/bill-marcy-billboard/1d0hg4sa8">http://www.bing.com/videos/watch/video/bill-marcy-billboard/1d0hg4sa8</a> and <a href="http://media.iadsnetwork.com/contentitempdf/pdfs/182000/182896.pdf%5ClSearch=%5Cmarcy">http://media.iadsnetwork.com/contentitempdf/pdfs/182000/182896.pdf%5ClSearch=%5Cmarcy</a>. For the Commission's convenience, we have scanned these images into the MUR 6428 Voting Ballot Matters folder.

- and 11 C.F.R. §§ 100.3(a) and 101.1(a), and that the Committee, in turn, failed to file a
- 2 Statement of Organization within ten days thereafter, as required by 2 U.S.C. § 433(a) and
- 3 11 C.F.R. § 102.1(a). Finally, the complainant alleges that the Committee failed to file
- 4 financial reports disclosing expenses incurred for campaign advertisements, including the
- 5 billboards and newspaper advertisement alluded to above, as well as expenditures for at least
- one oumpaign website and two rented campaign offices, as required by 2 U.S.C. § 434(a).
- David J. Boolos, treasurer of Bill Marcy for Congress, and candidate Bill Marcy both
- 8 filed responses. In his response, Mr. Boolos states that the Committee filed financial
- 9 disclosure reports, which are reflected on the Commission's website, including the 2010
- 10 October Quarterly Report, the 12-Day Pre-General Report, and the 30-Day Post-General
- 11 Report. These reports included itemized expenditures for political advertising, including
- 12 website costs, and newspaper, radio and television advertising. With respect to the costs of
- 13 the Marcy campaign's billboards, Mr. Boolos refers to an enclosed copy of the Committee's
- 14 30-Day Post General Report, which includes disbursements for "billboard advertising" to
- 15 Lamar Advertising of \$600 on October 29, 2010 and \$2,100 on November 1, 2010, for a total
- 16 expenditure of \$2,790.
- As to the lack of reported expenditures for office space, Mr. Boolos responds that the
- 18 Marcy campaign utilized Mr. Marcy's home as its campaign office and, on its website,
- 19 directed campaign contributions to Mr. Boolos's office. Mr. Marcy's response was similar to
- 20 Mr. Boolos's, except that, according to Mr. Marcy, campaign contributions were directed to
- 21 his home and office, as well as Mr. Boolos's office. Neither he nor Mr. Boolos responded to
- 22 the remaining issues raised by the complainant, including the allegedly defective disclaimers
- 23 or late-filed Statements of Candidacy and Organization.

1 Political committee campaign materials that require disclaimers include, inter alia, 2 billboards and newspaper advertisements, see 2 U.S.C. § 441d(a); see also 11 C.F.R. § 110.11(a). Such communications must clearly state that they have been paid for by the 3 committee and, in addition, must comply with the additional specifications for printed 4 materials, including the requirement that the disclaimer be set apart from the remainder of the 5 б communication in a printed box. See 2 U.S.C. §§ 441d(a) and (c); see also 11 C.F.R. 7 §§ 110.11(b) and (o). In this matter, it appears that the newspapur advertisement lucked a 8 disclaimer stating that the Committee had paid for it, and the disclaimers on the hillboard 9 advertisements did not include the Committee's correct name. In addition, the disclaimers on 10 the billboards were not enclosed within printed boxes. 11 Further, upon reviewing the Committee's first financial disclosure report, its 2010 12 October Quarterly Report, it appears that Mr. Marcy expended over \$5,000 in connection 13 with his campaign no later than August 3, 2010 and, therefore, became a candidate by that 14 date.<sup>3</sup> As such, Mr. Marcy should have filed his Statement of Candidacy no more than 15 15 days later, or by August 18, 2010, and his Committee should have filed its Statement of 16 Organization within 10 days thereafter, or by August 28, 2010. However, according to the 17 Commission's website, the Committee did not file its Statement of Organization until 18 September 8, 2010, and Mr. Marcy did not file his Statement of Candidacy until October 19 18, 2010. Thus, both were apparently filed untimely. 20 It appears that the campaign advertisements at issue contained sufficient identifying 21 information so that the public would not have been misled as to whether the Marcy campaign

Specifically, the report discloses the following disbursements: \$1,052.88 on February 26, 2010, \$300 on June 30, 2010, two disbursements totaling \$1,500 on July 6, 2010, and \$3,250 on August 3, 2010, for a total of \$6,102.88 in disbursements by August 3, 2010.

- had sponsored them. In addition, the Committee's financial disclosure reports include itemized disbursements for political advertising, including the billboard, newspaper, and
- 3 Internet web site advertising mentioned in the complaint. Accordingly, under EPS, the
- 4 Office of General Counsel has scored MUR 6428 as a low-rated matter and therefore, in
- 5 furtherance of the Commission's priorities, as discussed above, the Office of General
- 6 Counsel believes that the Commission should exercise its prosecutorial discretion and
- 7 dismiss this matter. See Heckler v. Chaney, 470 U.S. 821 (1985). Additionally, this Office
- 8 recommends that the Commission remind William L. Marcy of the requirement to timely file
- 9 his Statement of Candidacy, pursuant to 2 U.S.C. § 432(e)(1), and remind Bill Marcy for
- 10 Congress and David J. Boolos, in his official capacity as treasurer, of the requirements under
- 11 2 U.S.C. §§ 441d(a) and (c) and 11 C.F.R. §§ 110.11(a)-(c) concerning the use of appropriate
- 12 disclaimers, and the requirements under 2 U.S.C. § 433(a) concerning the timely filing of its
- 13 Statement of Organization.

## 14 **RECOMMENDATIONS**

- 15 The Office of General Counsel recommends that the Commission dismiss MUR
- 16 6428, close the file, and approve the appropriate letters. Additionally, this Office
- 17 recommends that the Commission remind William L. Manny of the requirement to timely file
- 18 his Statement of Candidacy, pursuant to 2 U.S.C. § 432(e)(1), and remind Bill Marcy for
- 19 Congress and David J. Boolos, in his official capacity as treasurer, of the requirements under
- 20 2 U.S.C. §§ 441d(a) and (c) and 11 C.F.R. §§ 110.11(a)-(c) concerning the use of
- 21 appropriate disclaimers, and the requirements under 2 U.S.C. § 433(a) concerning the

1 2	timely filing of its Statement of Organization	on.
3 4 5 6 7 8	7/20/11	Christopher Hughey Acting General Counsel
9 10 11 12 13	Date BY:	Gregory R. Baker Special Counsel Complaints Examination & Legal Administration
14 15 16 17 18	•	JEFF JORDAN 12 QLB  Jeff S. Jordan  Supervisory Attorney
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25 26 27 28	i	Donald E. Campbell Paralegal Specialist
29 30 31 32		